

**Agency: Commerce, Community and Economic Development
Grants to Municipalities (AS 37.05.315)**

Grant Recipient: Pelican

Federal Tax ID: 92-6000158

Project Title:

Project Type: Other

Pelican - Fuel Dock and Utility District

State Funding Requested: \$300,000
One-Time Need

House District: 2 / A

Brief Project Description:

Project will fund acquisition of the Pelican Utility District and fuel dock and related facility improvements.

Funding Plan:

Total Project Cost:	\$300,000
Funding Already Secured:	(\$0)
FY2012 State Funding Request:	<u>(\$300,000)</u>
Project Deficit:	\$0

Detailed Project Description and Justification:

Project will fund acquisition of the Pelican Utility District and fuel dock and related facility improvements.

Currently Pelican acquires its power from a utility facility that has been crippled by management challenges and lack of maintenance. This arrangement has been hard for the community and local businesses, and is in need of swift attention. The City of Pelican has brokered an arrangement with the utility's owner, Kake Tribal Corporation, to purchase the utility district, fuel dock, and related infrastructure. The community requests state assistance in acquiring the infrastructure and establishing a local utility to serve the community. The City of Pelican will use the requested funding to purchase the Pelican Fuel Dock and Pelican Utility District. Acquisition of these properties will allow the City of Pelican to achieve the lowest available fuel and energy costs for its community. A City operated Utility and Fuel Dock will stimulate local economy and encourage development thereby increasing short and long term growth potential.

The project is the community's top priority and is strongly supported by the Kake Tribal Corporation and local stakeholders.

Project Timeline:

FY12

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

City of Pelican

Grant Recipient Contact Information:

Name:	Clint Bean
Title:	Mayor
Address:	P.O. Box 737 Pelican, Alaska 99832
Phone Number:	(907)735-2202
Email:	mayor@pelicancity.org

Has this project been through a public review process at the local level and is it a community priority? Yes No

Patricia Phillips
PO Box 109
Pelican, Alaska 99832
April 30, 2011

The Honorable Governor Sean Parnell
State of Alaska
State Capitol
P.O. Box 110001
Juneau, Alaska 99811-0001

Re: Pelican – Fuel Dock and Utility District \$300,000

Dear Governor Parnell,

I was recently asked by a member of the Pelican City Council to write a letter of support for the \$300,000 Grant to Municipalities for the Pelican – Fuel Dock and Utility District included in SB 46.

Even though I am no longer mayor, this request for funds to acquire the Pelican – Fuel Dock and Utility District is an issue I worked on during my nearly seven years as mayor – it is for the good of the community and vital to the interests of the citizens and businesses of Pelican and the region as a whole. Your approval of this legislative request will enable the City of Pelican to create a competitive environment for the economy and fortify the quality of life in our rural community.

My husband, James, and I are committed to do what we can to help this community. Together, we have owned and operated our commercial fishing business here since 1982. We've experienced the heydays of Pelican and now its lows of troubled economic times. Our support extends well beyond the most recent seven years of service to this community. As young as we are (age 50 and 52), we are the local knowledge or elders of Pelican. We hold a firmly held conviction that local jobs are imperative to community stability. We also believe that the local governing body should provide utility services to its citizens. A locally controlled utility will maintain affordable rates and provide local self-determination regarding the utility infrastructure. Transference of the Pelican –Fuel Dock and Utility District has been of primary importance to the City since 2004. While the City has had serious concerns about the original amount requested (\$3M), I think that the City in cooperation with Kake Tribal Corporation has agreed upon a figure that is realistic and doable (\$275,000 plus \$25,000 to help administer the actual transfer). Like our neighbors in Hoonah, I look forward to a time when we can help Hoonah meet their energy needs with the extension of a hydroelectric energy intertie from Pelican to Hoonah. Hoonah is experiencing extreme economic distress with the high-cost of diesel powered electricity. There is great potential for good things to happen on Chichagof Island with affordable energy on the horizon. Thank you for your consideration of this request.

Sincerely yours,

Patricia Phillips

Cc:

Mr. John Moller, Rural Advisor, Office of the Governor

The Honorable Senator Bert Stedman

The Honorable Senator Albert Kookesh

The Honorable Representative Peggy Wilson

The Honorable Representative William Thomas

Ms. Victoria Wolfe, President, Kake Tribal Corporation